

302 KAR 35:040. Inspection.

RELATES TO: KRS 251.420-251.510

STATUTORY AUTHORITY: KRS 251.480

NECESSITY, FUNCTION, AND CONFORMITY: To clarify the inspection procedure and to make an allowance for a facility short on space to store grain at another facility.

Section 1. The department shall inspect the licensed elevator twice each year for the purpose of auditing the records, determining the amount of grain in storage, inspecting the condition of the grain in storage, and the condition of the storage facilities. The person, firm, or corporation must have a representative present at all times when said inspection is being made.

Section 2. (1) The licensee should have enough grain in storage to meet all obligations for unpaid grain left thirty (30) days after the last load delivered during that harvest season. To meet inspection requirements, the department may allow the licensee to substitute one kind of grain for another on a dollar per dollar basis.

(2) A licensee that is short of facilities may store at another establishment provided that establishment is also licensed. A licensee that is short of facilities or grain may:

(a) Give additional bond on 100 percent value of grain.

(b) Deposit the dollar value of grain in a special account made jointly to the State Board of Agriculture and the licensee. This money can only be released to buy the grain from the producers or replace the grain for the producers. All interest drawn on this account is payable to the licensee. (KDA-M-4-1; 1 Ky.R. 1029; eff. 6-11-75.)